



COMPENSATION AND TALENT MANAGEMENT COMMITTEE CHARTER

Purpose

The Compensation and Talent Management Committee (“Committee”) shall assist the Board of Directors (the “Board”) of La-Z-Boy Incorporated (the “Company”) in fulfilling its responsibility to oversee the adoption and administration of fair and competitive executive and outside director compensation programs and leadership and talent management.

Governance

1. *Membership:* The Committee shall be composed of not fewer than three members of the Board, each of whom shall serve until such member’s successor is duly elected and qualified or until such member resigns or is removed. Each member of the Committee shall (A) satisfy the independence and other applicable requirements of the New York Stock Exchange listing standards, the Securities Exchange Act of 1934 (the “Exchange Act”) and the rules and regulations of the Securities and Exchange Commission (“SEC”), as may be in effect from time to time, (B) be a "non-employee director" as that term is defined under Rule 16b-3 promulgated under the Exchange Act, and (C) be an "outside director" as that term is defined for purposes of the Internal Revenue Code. The Board of Directors shall determine the "independence" of directors for this purpose, as evidenced by its appointment of such Committee members.

Based on the recommendations of the Nominating and Corporate Governance Committee, the Board shall review the composition of the Committee annually and fill vacancies. The Board shall elect the Chairman of the Committee, who shall chair the Committee’s meetings.

Members of the Committee may be removed, with or without cause, by a majority vote of the Board.

2. *Meetings:* The Committee shall meet at least four times annually, or more frequently as the Committee Chairman determines, and may meet periodically in executive session without Company management present. In addition to the Committee members, the Chairman of the Board and the Lead Director may attend the meetings, but only Committee members may vote. The Committee may invite to meetings other members of the Board, members of management, outside professionals, and others it deems necessary or appropriate to fulfill its duties. The Chairman of the Board, the Lead Director, or the Chairman of the Committee may call meetings of the committee. The members and other participants may attend any meeting by means of conference telephone or similar equipment that enables all meeting participants to communicate with one another. The Chairman of the Committee, with input from the Committee members, the Chairman of the Board, and the Lead Director, will develop the agendas for the Committee’s meetings.

3. *Quorum:* A simple majority of Committee members, in attendance personally or telephonically, constitutes a quorum for the conduct of business. The vote of a majority of the members present at any meeting at which there is a quorum is sufficient to take official action on behalf of the Committee, except as hereinafter provided. No proxy voting shall be permitted.

Whenever a Committee member has a personal interest in a pending decision, that member shall disclose to the other members the material facts involved and the member's personal interest.

4. *Action by Consent:* Official committee action may also be taken by unanimous written consent of the members of the committee.
5. *Reporting to Board:* On a regular basis the Committee will report to the Board on the Committee's activities (and any salient outstanding issues).
6. *Retention of Advisors.* The Committee shall have the authority, in its sole discretion, to retain or obtain the advice of a compensation consultant, legal counsel and other advisers. The Committee is directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other adviser that it retains.

The Company will provide appropriate funding, as determined by the Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or other adviser retained by the Committee. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company, and the Committee will take all necessary steps to preserve the privileged nature of those communications.

Except with respect to in-house legal counsel and any compensation consultant, legal counsel or other adviser whose role is limited to activities for which no disclosure would be required under Item 407(e)(3)(iii) of the Exchange Act (or any successor provision(s)), the Committee may select, or receive advice from, a compensation consultant, legal counsel or other adviser only after taking into consideration all factors relevant to that person's independence, including the following:

- the provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
- the amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
- the policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;
- any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
- any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

7. *Self-evaluation:* The Committee will evaluate its performance annually and report its conclusions and recommendations to the Board.

8. *Amendment of Charter:* This Charter may be amended or modified at any time by majority vote of the Board. The Committee shall review this Charter periodically and recommend changes to the Board for adoption.

Responsibilities

1. *General Responsibilities:*

- A. The Committee will adopt and periodically review the total compensation philosophy covering senior officers identified as executive officers of the Company, as defined for SEC reporting purposes (the “Executive Officers”).
- B. The Committee, utilizing the services of outside consultants as appropriate, will periodically review the competitiveness of the total compensation practices of the Company, comparing the relationship between pay practices and the Company’s total shareholder return.
- C. The members of the Committee have a responsibility to become familiar with the Company’s various compensation plans and the responsibilities associated with such plans. The Chief Human Resources Officer will generally be responsible for keeping Committee members current regarding these topics and will work with the Company’s finance personnel and legal counsel to assemble appropriate materials and take other measures to create and maintain an appropriate level of knowledge.

2. *Direct Responsibilities:*

- A. Reviewing and approving corporate goals and objectives with respect to the compensation of the Chief Executive Officer (“CEO”); and annually evaluating the CEO’s performance in light of these goals and objectives, with input from the CEO, and such other factors as the Committee may deem appropriate. The Committee, or the Committee in cooperation with the other independent directors (as directed by the Board), will determine and approve the CEO’s compensation based on this evaluation and such other factors as the Committee may deem appropriate.
- B. Making recommendations to the Board with respect to non-CEO executive officer compensation, and incentive-compensation and equity-based plans that are subject to Board approval.
- C. Providing the report required by the rules of the SEC to be included in the Company’s annual proxy statement

3. *Specific Duties:* The following shall be the common recurring activities of the Committee in carrying out its oversight function. These activities are set forth as a guide with the understanding that the Committee may diverge from this guide, as appropriate given the circumstances and consistent with applicable laws and regulations.

- A. Reviewing and authorizing all compensation actions affecting all Executive Officers of the Company and, where appropriate, other key executives.

- B. Consistent with existing shareholder approved compensation plans, reviewing and authorizing the terms and conditions of proposed annual bonus plans applicable to Executive Officers of the Company; establishing performance criteria (with input from Company management) relating to such incentive bonus plans; and determining whether such criteria have been met prior to the payment of such awards.
- C. Reviewing proposed stock compensation plans and other incentive plans and all proposed changes to these plans and determining whether to authorize or recommend that the Board and/or the shareholders of the Company authorize such plan amendments. Administering these plans and (with input from Company management) establishing and evaluating performance criteria for awards and designating the classification of employees of the Company to whom awards are to be granted, the number of shares subject to each award and the other terms of awards.
- D. Reviewing and approving all other executive compensation arrangements, including, but not limited to, other incentive plans, non-qualified deferred compensation plans, executive retirement plans, perquisites, change-in-control agreements, and severance agreements.
- E. Reviewing and recommending to the Board compensation for the Company's non-employee directors.
- F. Reviewing compliance by directors and executives with stated stock ownership goals.
- G. Retaining the services of an outside consultant periodically to review the competitiveness of the compensation and benefits package for the Executive Officers of the Company.
- H. Reviewing and authorizing disclosures to be made in the name of the Committee concerning the executive compensation programs of the Company and reviewing and authorizing other information concerning these programs to be disclosed in the Company's annual proxy statement, including reviewing and discussing with the Company's management the Compensation Discussion and Analysis ("CD&A") to be included in the Company's annual proxy statement; and based on that review and discussion, determining whether to recommend to the Board that the CD&A be included in the Company's annual proxy statement.
- I. Periodically reviewing whether the Company's compensation policies and practices create risks reasonably likely to have a material adverse effect on the Company.
- J. In connection with the review by the Board of Directors of the Company's succession planning, periodically reviewing and evaluating the Company's leadership and talent management plans and processes, including for the identification and leadership development training of key employees with the potential to succeed the Company's senior management.